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INTERNATIONAL INC.

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INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2001

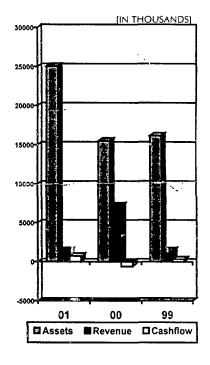
(Unaudited)

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FINANCIAL

FOR THE SIX MONTHS ENDED SEPTEMBER 30

	2001	2000	1999
Results from operations	-		
Assets	\$ 25,035,621	\$15,497,961	\$16,163,890
Total revenues	\$ 1,496,076	\$ 7,173,167	\$ 1,498,449
Cashflow from operations	\$ 769,160	\$ (577,157)	\$ 327,140

MANAGEMENT HAS A HIGH LEVEL OF CONFIDENCE OF REPORTING SIGNIFICANTLY INCREASED EARNINGS IN THE THIRD QUARTER.



Q2 ACHIEVEMENTS

- Winzen's operating income decreased to \$26,176, compared with \$877,782 in the second quarter of 2000, due to the earlier timing of new construction sale closings in 2000.
- Winzen increased rental operations income by \$175,334 to \$1,281,750 over the second quarter of 2000.
- The Company also increased real estate assets by \$860,000 to \$22,918,717 from the year end.
- Substantially completed construction of the Silver Creek project by the end of the quarter.

CORPORATE PROFILE

Winzen International Inc. is a diversified real estate company focused on ownership and value enhancement of residential and commercial rental properties, as well as the development and construction of new homes in the Greater Toronto Area. The Company's objective is to realize superior financial returns for its shareholders by enhancing the value of its real estate and by making opportunistic investment in rental and development properties.

TO OUR SHAREHOLDERS

Dear Fellow Shareholders:

We are pleased to share with you Winzen's financial and operating results for the six months ended September 30, 2001, a quarter in which the Company substantially completed the Silver Creek project and moved forward on the adjacent property's planning, design and marketing. These activities provide us with a solid foundation for achieving our targets for the March 31, 2002 year end and subsequent year.

Winzen continues to deliver a solid financial performance despite unsettled economic conditions.

For the six months ended September 30, 2001, cashflow from operations increased to \$769,160, compared with \$(577,157) in 2000. The gain from operations for the six months ended September 30, 2001 was \$26,177 compared to \$877,782 in the prior year. Last year's gain included the final closings of The Manors of King's Forest project.

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OPERATIONS

Real Estate Sales

During the quarter the Company had no sale of properties revenue. Due to the nature of the development activities of the Company being mainly condominium development, the sales of projects are recognized only on closing for revenue purposes which are schedule on one or two days typically thirty days after condo registration. With the *Silver Creek* project the 54 sales to date are scheduled to close on December 5, 2001, which will result in the majority of revenue from this project being recognized in the third quarter. It is expected, under current market conditions, that the remaining six units will be sold by the end of the fourth quarter.

There were no sales of condominiums in the *Grande Regency* during the quarter. The Company still expects *Grande Regency* sales to continue on a monthly basis, with a target of one sale a month in the project. Ten homes in *The Manors of Everett* were under construction and no closings occurred in the quarter.

Property Development

The Silver Creek townhouse project was 97% complete at the quarter end with costs of \$7.6 million in place. Condominium registration of the project occurred on October 30, 2001 to allow sale closings to take place in 30 days. The Company will continue to build homes on a assold basis at The Manors of Everett. The Company has been selling a higher priced home in Everett that is targeted to a trade-up market to maximize building profit. Due to this repositioning of the product, sales are slower than originally projected.

The Company has worked diligently, together with the City of Burlington, to bring the property adjacent to the Silver Creek project through the planing and approval stage. Sub contractors have

already submitted quotes for many of the budgeted hard cost categories. Marketing materials were just completed and the project started to be marketed last week. The Company expects the project to appeal to first time buyers and be well received in the current market with the low interest rates available.

Winzen's residential development business continues to benefit from strong demand driven by lower interest rates which have contributed to an unprecedented level of affordability for consumers. The second are reported to the second and the second and the second are second as the

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Rental Properties

At The Westway property the company received in the month of September approval for a 7.9% rent increase retroactive to the beginning of 2001 based on capital expenditures, increased operating costs and the annual statuatory increase allowed. The property continues to operate without vacancies and with an outstanding collection record. The Westway property was significantly improved during the quarter with the installation of a new roof at a cost of \$100,000.

The Kennedy Road gross rental income increased by \$12,475 over the same period last year. The property continued to be fully rented during the quarter. At 837 Queenston Road in Stoney Creek, vacancies were six units, compared to fifteen in the first six months of last year.

LONG DOMEST AND HIS WINE

A LOOK AHEAD

As we look to the balance of the year and beyond, we remain focused on developing and owning residential properties in the Greater Toronto Area. Through disciplined asset and capital management, we are committed to increasing our return on capital and maintaining growth in cashflow perishare. A transfer of many a charge in the control of in the control of the property of the property of the control of t

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On behalf of management and the board, November 28, 2001

Victor Zenkovich

Chairman

Brian Zenkovich. and the second second second second Chief Executive Officer

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CONSOLIDATED BALANCE SHEET

As at	the second			September 30, 2001	March 31, 2001
		<i>***</i>		[unaudited]	[audited]
Assets					*
Real estate			\$	22,818,717 \$	17,169,648
Investment in St. Hubert properties				414,659	414,659
Marketable securities				84,103	→ 109,312
Receivables and other assets				1,692,509	1,931,455
Goodwill	\ ;	5		25,633	52,133
			\$_	25,035,621 \$	19,727,207
Liabilities					right 15
Property financing	4 - 4.1 4 - 4.1	•	\$	12,955,573 \$	11,643,043
Construction financing	1.6		•	6,185,397	2,425,230
Bank induotedness	100 m			69 8,7 13 -	729,591
Accounts payable and accrued liabi	litics			1,417,757	930,932
Loans payable				823,853	883,211
Future income taxes	-I •	•		480,000	480,000
			\$	22,561,293 \$	
Shareholders' equity					
Share capital			\$	2,227,454 \$	2,227,454
Retained earnings			•	246,874	402,726
			\$	2,474,328 \$	2,630,180
			\$	25,035,621 \$	19,727,207
			ي ع		
	•		4.		

CONSOLIDATE STATEMENT OF EARNINGS

[UNAUDITED] FOR THE THREE AND SIX MONTHS ENDED

									•
			6 Months		6 Months		3 Months		3 Months
*		Sept	ember 2001	Sep	tember 2000		June 2001		June 2000
Revenue									
Sale of properties		\$	115,250	\$	5,398,709	\$	115,250	\$	5,171,529
Rental operations			1,281,750		1,106,416		631,618		556,177
Commission income			-		20,482		-		7,641
Management fee	4		60,731		112,891		34,598		54,191
Interest and others		\$	38,345		34,669		21,564		6,103
. 4.	a taka wa	\$	1,496,076	\$	7,173.167	\$	803,030	\$	5,795,641
Expenses									•
Cost of real estate sales		\$	74,339	\$	4,963,678	\$	76,723	\$.	4,313,252
Rental operations			986,868		882,238		506,574	٠.,٠	447,368
Selling, general and ad-	ministrative		377,786		433,569		177,255		1.31,311
Interest expenses			30,906		15,900	٠,٠	19,595		13,644
		\$	1,469,899	\$	6,295,385	\$	780,247	\$	4,955,575
Gain from operations	(1) (1) (1) (1) (1) (1) (1) (1) (1) (1)	\$	26,177	\$	-877,782	\$	22,783	\$	840,066
Depreciation			122,761		122,760		121,380		91,380
Amortization of financi	ng fee 🏸		32,768		32,268		18,383		14,250
Amortization of goodw	ill <u>en e</u>		26,500		26,500		13,250		13,250
N. 2	5 % 6 3	e e de la colo grante de la	Property			***	The second second		
Net gain (loss)		\$	(155,852)	_\$_	696,254	<u>\$</u>	(130,230)	\$	721,186
Gain per share		Ş	(0.01)	\$	0.07	\$	(0.01)	\$	0.08
Common shares outsta	nding		9,644,100		9,644,100		9,644,100		8,944,100

FOR THE THREE AND SIX MONTHS ENDED

	6 Months September 30, 2001	S	6 Months eptember 30, 2000		3 Months June 30, 2001	3 Months June 30, 2000
Cash provided by [used for]:						
Operations and working capital	(455.050)			<u>_</u>	(420.220) 6	3 .704.406
Gain (loss) from operations \$ Items not affecting cash	(155,852)	Þ	696,254	\$	(130,230) \$	721,186
Depreciation and amortization	182,029		181,528		153,013	118,880
Changes in accounts receivable and	102,023		101,320		133,013	
mortgage receivable	256,178		(998,418)		265,395	(878,508)
Changes in accounts payable and			je i t		taring a state of the state of	
accrued liabilities	48€,805	_	(456,521)		372,993	345,379
Changes in purchasers' receivable		_			413,760	(528,173)
\$	769,160	\$	(577,157)	\$	1,074,931 \$	(221,236)
Cash flow from financing activities	.1-1			٤,٠		· · · · · · · · · · · · · · · · · · ·
Mortgage proceeds \$	1,307,530	\$	452,543	\$	1,359,894 \$	(175,984)
Bank financing (repayment)	3,760,167		(2,866,974)		2,301,758	(3,338,971)
Increase (reduction) in loans payable	(59,358)		(5,000)		(19,358)	
'\$	5,008,339	\$	(2,419,431)	\$	3,642,294 \$	(3,514,955)
Cash flow from investing activities				-	%.** <u>•</u>	
Acquisition (disposition) and investments			, in the second		6.	
in real estate properties \$\\$ \\$	(5,771,830)	\$	2,972,033	\$	(3,942,195) \$	3,893,747
Proceeds from sale of shares	, , , =		120,000			<u>-</u>
Change in marketable securities	25,209		14,849		25,209	(25,351)
\$	(5,746,621)	\$	3,106,682	\$_	(3,916,986) \$	3,868,396
Increase (decrease) in cash						
during the period \$	30,878	\$	110,094	\$	800,239 \$	132,205
		···		•		
Bank (indebtedness),		*	(474.00=)		(TOO BOA) A	
beginning of period \$	(729,591)	\$	(471,997)	\$	(729,591) \$	
Bank (indebtedness),			٠.		1.00	:
end of period \$	(698,713)	\$	(361,903)	\$	70,648 \$	132,205

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NOTES TO THE CONSOLIDATD FINANCIAL STATEMENTS

FOR THE THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2001

1 **BASIS OF PRESENTATION**

These unaudited interim consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ["GAAP"] and - Canadian Institute of Public Real Estate Companies ["CIPREC"] and are consistent with those used in the audited consolidated financial statements as at and for the year ended March 31, 2001.

SHARE CAPITAL

	Septemb	er 30, 2001	March 31, 2001				
Common Shares outstanding	Number	Amount	Number Amount				
	9,644,100	\$2,227,454	9,644,100 \$2,227,454				

PER SHARE CALCULATION

The following table sets forth the computed: The following table sets forth the computation of basic and diluted earnings per share with respect to income from continuing operations.

		and the second of the second o						
	2.54	, , , , , ,				10.00		**
		5 Months		6 Months		3 Months		3 Months
		September 30,	S	eptember 30,		June 30,		June 30,
en e		200 i		2000		2001		2000
Net income	\$	(155,852)	\$	696,254	\$	(120,230) \$		721,18€
Denominator for basic earnings pe	r			2.54.235		4. 3.5		,
share weighted average share	s	9,644,100	٠,	8,944,100		9,644,100	8	,944,100
Effect of dilutive stock options		100,000		800,000		100,000		800,000
Denominator for diluted earnings								
share adjusted for weighted ave	erage			• •				
shares and assumed conversion	1	9,744,100		9,744,100		9,7:4,100	9	,744,100
Basic earnings per share	\$	(0.01)	\$	0.07	\$	(0.01) \$,	ũ.08
Diluted earnings per share	\$	(0.02)	\$	0.07	\$	(0.01) \$		0.07
					-			

4 **COMPARATIVE FIGURES**

Certain comparative figures have been reclassified to conform with the current year's presentation.

5 **SUBSEQUENT EVENTS**

The Silver Creek project was registered as Halton Condominium Corporation #399 on October 30, 2001, allowing the current sales to be scheduled for final closing on December 5, 2001.

CORPORATE INFORMATION

SHAREHOLDER INQUIRIES

Winzen welcomes inquiries from shareholders, analysts, media representatives and other interested parties. Questions relating to investor relations can be directed to Victor Zenkovich, Chairman and inquiries regarding financial results should be directed to Brian Zenkovich, Chief Executive Officer at (416) 253-5900 or via e-mail at winzen@winzen.on.ca.

Shareholder questions relating to address changes, stocks, transfers, registered shareholdings or lost certificates should be directed to the Company's Registrar and Transfer Agent.

Computershare Investor Services Inc.

Corporate Services Division 510 Burrard Street Vancouver, BC V6C 3B9

Tel: (604) 661-9418 Fax: (604) 683-3694

COMMON STOCK INFORMATION

Symbol:

WZI

Stock Exchange:

The Canadian Venture Exchange (CDNX)

Fiscal Year End:

March 31

HEAD OFFICE

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